

Notice of Allowability

Application No.

09/813,745

Examiner

Nga B. Nguyen

Applicant(s)

SISKA, THOMAS G.

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to the Amendment filed on July 23, 2007.
2. ☒ The allowed claim(s) is/are 1-30, 34 and 35.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) ☐ All b) ☐ Some* c) ☐ None of the:
 1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

* Certified copies not received: _____.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
 5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
 - (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
 - 1) ☐ hereto or 2) ☐ to Paper No./Mail Date _____.
 - (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date _____.
- Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Attachment(s)

1. ☐ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. ☒ Information Disclosure Statements (PTO/SB/08),
Paper No./Mail Date 7/23/07; 2/19/03
4. ☐ Examiner's Comment Regarding Requirement for Deposit of Biological Material
5. ☐ Notice of Informal Patent Application
6. ☐ Interview Summary (PTO-413),
Paper No./Mail Date _____
7. ☐ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other _____

DETAILED ACTION

1. This Office Action is the answer to the Amendment filed on July 3, 2007, which paper has been placed of record in the file.
2. Claims **1-30, 34, and 35** are pending in this application.

Allowable Subject Matter/Reasons for Allowance

3. Claims **1, 14, 23 and 29** are allowed over the prior arts cited records.

The closest prior arts are:

1) Levine (US 6,408,282) discloses the loan origination subsystem 240 includes a loan origination interface 243 workstation. In an embodiment of the present invention, a consumer (i.e., borrower) would call into the subsystem 240 via the public service telephone network (PSTN) 248 to apply for a loan. A customer service agent, working for the loan originating entity would gather the information using a GUI on the interface workstation 243. Again, while one origination workstation 243 is shown in FIG. 2B, it will be apparent to one skilled in the relevant art(s) that a loan origination entity will employ a plurality of customer service agents within a call center, thus necessitating a plurality of workstations 243. The workstation 243 is connected to a loan origination server 242. Server 242 provides the back-end processing of the loan origination subsystem 240. The server 242 is connected to an origination database 244 and a criteria database 245. The loan origination subsystem 240 also includes a manager workstation 246 which allows the manager of the loan origination entity to manipulate the data in the criteria database 245 and perform supervisory functions over the customer service

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agents using the workstations 243. The loan origination subsystem 240 also includes a router 247--similar in functionality as routers 262a and 262b described above--which allows origination data to be securely uploaded to the inside of the exchange system 200 via the Internet 260. During the loan origination process, the loan origination subsystem 240, via router 247 and the Internet 260, may obtain credit history data from a credit service bureau represented by a frame cloud 268. The outside region of exchange system 200 also includes a servicing subsystem 250. The servicing subsystem 250 includes a servicing server 252 connected to a servicing database 251. Many servicing companies utilize mortgage service software such as the Mortgage Servicer Systems software available from Financial Industry Computer Systems (FICS) Group of Brussels, Belgium. Thus, the servicing database 251 would contain FICS data which would interface with the exchange system 200 via a router 253--similar in functionality as routers 262a, 262b and 247 described above--and the Internet 260. While one servicing subsystem 250 is shown in FIG. 2B, it will be apparent to one skilled in the relevant art(s) that a plurality of loan servicing entities, each with their own loan servicing subsystem 240 infrastructure, may subscribe to the exchange system 200 and thus access the above-described components inside of the system. Loan servicing entities would provide exchange system 200 subscribers, via the router 253 and the Internet 260, with information about each loan such as prepayment, delinquency, default, etc. In an embodiment of the present invention, this information can be provided as continuous live data or via pre-scheduled (i.e., nightly, weekly, etc.) batch uploads. This allows exchange system 200 subscribers to have up-to-date

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information about each loan within a pool for risk management analysis. In contrast to the system of Levine, the present invention is for a business process wherein 100% of the risk of loss for the loan is transferred to the monitoring (i.e., servicing). Specifically, as expressly set forth in claim 1, the method requires "obtaining indemnification for said first institution of all risk for providing said money for said loan." This step in the loan process is the first of its kind in the loan industry. Unlike the claimed method, Levine's process has the funding institution deciding which loans to fund and which loans to decline because the funding institution is at risk. In the present Application, the second institution (i.e., the Servicer) makes these decisions since the second institution is taking all of the risk. This contrasts sharply to Levine's process because the servicing company in Levine is managing the risk without ever taking any of the risk. Even with the ability of the service company to file or otherwise initiate a lawsuit to collect on delinquent or defaulted loan payments, the loaning entity is still at risk for the loan and will take the loss to the extent such lawsuits do not result in full satisfaction of the remaining loan amount. Moreover, it is not clear from Levine whether or not the loan entity would be responsible for the costs of the lawsuit. Such costs would also effect the overall amount recovered and provide further risk to the loan entity.

2) King (US 6,278,982) discloses use of a Guaranteed Investment Contract (GIC). However, that only guarantees the interest rate, not the principle, and thus is not an indemnification against all risk. Moreover, the guaranteed interest (spread) is offered

by the borrower, not the servicer, because the insurance company is the Borrower in King. (See, King column 13, lines 4-5).

3) Buchanan (5,950,179) discloses a system for issuing credit cards. As set forth in the Background of Buchanan, prior systems for secured credit cards required an individual seeking the card, to maintain a savings account with the issuing Bank at least equal to the card limit, thus insuring the amount of any balance drawn on the card. However, this is collateral from the borrower (i.e., credit card holder) and not an indemnification provided by the servicer (i.e., second institution) of all risk to the money lender. That is, no indemnification is being provided from the second institution (or insurer) as required by the present claims.

Therefore, it is clear from the description of Levine's, King's and Buchanan's inventions that the prior arts do not considered the possibility of: obtaining indemnification for said first institution of all risk for providing said money for said loan from the second institution, as included in claims 1 and 14; obtaining indemnification for said Intermediary company against all risk associated with providing money for said first loan from said Contractor, included in claim 23; obtaining indemnification for said bank against all risk associated with said supplying money for said contracted loan product from said commercial finance company, as included in claim 29.

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4. Claims (2-13, 34), (15-22, 35), (24-28) and 30, are allowed because they are dependent claims of the allowable independent claims 1, 14, 23 and 29 above, in that order.

Conclusion

5. Claims **1-30, 34, and 35** are allowed.

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (571) 272-6796. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on (571) 272-6702.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (571) 272-3600.

7. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

P.O. Box 1450

Alexandria VA, 22313-1450

Or faxed to:

(571) 273-8300 (for formal communication intended for entry),

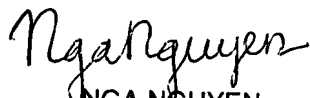
or

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(571) 273-0325 (for informal or draft communication, please label

"PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Knox Building, 501 Dulany
Street, Alexandria, VA, First Floor (Receptionist).


NGA NGUYEN
PRIMARY EXAMINER

September 12, 2007